

# OFFICE OF THE COUNTY EXECUTIVE

# Milwaukee County

### SCOTT WALKER . COUNTY EXECUTIVE

#### FOR IMMEDIATE RELEASE

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## WALKER SPEAKS OUT AGAINST BOARD'S NEW 1% SALES TAX HIKE PROPOSAL

**MILWAUKEE** – County Executive Scott Walker announces his opposition to the latest version of a sales tax on county residents.

"Fringe benefits are like a virus eating up more and more of the budget each year," said Walker. "The answer for some is not to fix it but to raise taxes higher than anywhere else in the state. I think we have to stop the virus."

Walker opposes the proposed 1% sales tax increase for several reasons:

First, it will give Milwaukee County the highest sales tax in the state; thus creating a tax island. A person buying a meal in a restaurant would have to add 6.85% to his bill under this proposed tax hike.

Second, the state government still has to approve an increase in the sales tax. Since both candidates for Governor and the State Legislature are opposed to new taxes, support for a new tax is unlikely.

Third, it hasn't worked before. In 1991, the county enacted a .5% sales tax increase for "property tax relief". From 1992 to 2002, the property tax levy went up 52%.

Fourth, it is not that the county doesn't have enough money; it is that the county does not spend it well. The parks system costs \$37million a year. Pensions will cost the county \$50 million next year. Free health care for life for retirees and other benefits will cost \$29 million in 2007.

"The answer is not to dig into the pockets of taxpayers for more money," said Walker. "The answer is to be better stewards of their tax dollars by getting relief from these fringe benefits."

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